



# NEWS RELEASE

*Internal Revenue Service – Criminal Investigation*

*Las Vegas Field Office*

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## **MAN WHO ADMITTED TO LAUNDERING THE PROCEEDS OF SELLING SYNTHETIC CANNABINOIDS IS SENTENCED**

**LAS VEGAS, Nev – Dec 10, 2014** – David Reiter 57 of Las Vegas, who pleaded guilty in July to money laundering and structuring transactions to evade currency transactions reports was sentenced yesterday before U.S. District Judge James C. Mahan to 37 months in federal prison announced IRS-Criminal Investigation Special Agent In Charge John Collins.

Reiter pleaded guilty to the indictment without a plea agreement. According to the memorandum in support of plea, on December 5, 2013 IRS the Financial Fraud Task Force executed a federal search warrant at the defendant's residence, 2180 East Warm Springs Road, Building #6, Apartment #2023. During the execution of the search warrant law enforcement located evidence demonstrating that the defendant had been distributing synthetic cannabinoids containing a Schedule I controlled substance, which he referred to as "Golden Leaf." Law Enforcement also located evidence of the synthetic cannabinoids, which was packaged and labeled "Golden Leaf," as well as evidence that the defendant was laundering the proceeds from that unlawful activity, and subsequently structuring the funds of the proceeds to avoid currency transaction requirements.

The defendant admitted to laundering proceeds from the distribution of synthetic cannabinoids through Money Tree, Wells Fargo and unnamed casinos. The investigation revealed that over the course of 18 months, Reiter cashed over \$358,750 in checks received from local smoke shops at Money Tree in Las Vegas. The transaction fees for cashing these checks amounted to \$7,508.93. Between the dates of September 7, 2012 and May 20, 2013 Reiter deposited a total of \$234,179 in currency to his two Wells Fargo Accounts. All deposits were in amounts less than \$10,001 which is the amount that would require the bank to file of a Currency Transaction Report (CTR).

IRS-CI is united with the rest of the law enforcement community in our resolve to financially disrupt criminal organizations that commit crimes against our society and the world economy, said John Collins Special Agent in Charge of IRS Criminal Investigation in Las Vegas.

The case was investigated by the Federal Financial Fraud Task Force which includes IRS Criminal Investigation, The Henderson Police Department, The Nevada Gaming Control Board, The Nevada Attorney General's Office and the Las Vegas Metropolitan Police Department. The case was prosecuted by Assistant U.S. Attorney Cristina Silva.

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